

17-21

SEP 14 1950

MEMORANDUM FOR ASSISTANT DIRECTOR FOR SPECIAL OPERATIONS:

FROM: STAFF B

SUBJECT: Steps Necessary to Place CIA, Particularly OSO, in a Position to Adequately Fulfill Basic Responsibilities During the Present and Inevitable Future Emergencies.

- REFERENCE: (a) Memorandum for ADOS, from Chief of Staff B and dated 13 July 1950
- (b) Memorandum for ADOS, from SSO, dated 27 July 1950.

1. In accordance with the recommendations made in reference B by SSO, this committee has devoted considerable time and discussion to the various points raised in reference A.

2. For the sake of convenience the items discussed have been rearranged into twenty-eight basic points. Each is attached and numbered separately. A discussion and recommendation are a part of each separate attachment. Although the subjects have been rearranged, all are quoted and are covered by the attachments. The numbering system follows that used in reference A.

3. It should be noted that in many instances there is general agreement concerning the problem involved and consequently no restatement is believed to be necessary. There are, however, specific items on which we recommend action.

4. Since a new Director of Central Intelligence has been appointed subsequent to our study of the basic references, it would seem appropriate that those parts of the attachments which meet with your approval be forwarded to him for consideration upon his assumption of office.

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Acting Chief, Staff B.

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Chief, FDP

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Chief, FIV

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11. 1. The proper immediate implementation of NSC 50.
2. The authorization or reauthorization of the Director of Central Intelligence as the executive agent of the National Security Council in intelligence matters.
3. Complete revision of and additions to the NSC Intelligence Directives and, where necessary, NSC Directives, for the purpose of more clearly delineating the authority and jurisdiction of CIA, more clearly providing for a coordinated intelligence effort, and providing new authority for necessary emergency intelligence action. These directives should be written and rewritten in such a way that their practical workability and enforcement is assured.
4. Recognition of the responsibility and authority of the Director of Central Intelligence under the provision of the National Security Act of 1947, which provides "that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure". It is felt that this provision of the Act represents one of the most powerful weapons as well as one of the gravest responsibilities allocated to any U.S. agency head, and that the maximum utilization of this should be made for the purpose of establishing in fact a Central Intelligence Agency.
5. Clarification of the position of CIA, and specifically CSO, vis-a-vis the Joint Chiefs of Staff, not only at the present time but in time of war. This clarification should envisage the establishment of CSO as the intelligence arm of the JCS, in time of war at least, and its proper coordination with the JCS. Among the changes which probably should be effected immediately are those which would result in establishing closer relationships between CSO and the JCS in order that there can be a direct furnishing of necessary intelligence to the JCS and an immediate furnishing of guidance and targets from the JCS to CSO.
17. 13. Planning should start and necessary basic action be taken as soon as possible to set up a skeleton framework for operational teams at Theater and lower levels, for SOI teams, interrogation teams, and teams to handle captured documents in the event of extended military action.

DISCUSSION: This committee concurs that NSC 50 should be implemented as soon as possible. We feel that the continuance of many of the recent and current difficulties between CSO and NSC would be avoided after its implementation. Another obvious advantage would be the resultant consolidation of authority in the hands of one chief of station in each country, thus assuring proper coordination on all issues. Further, in connection with the general stay-behind program which is inevitably related to evacuation plans, the task would be made considerably easier if over-all direction were emanating from a single point.

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II. 5. Recognition and formalization of the position of the DCI and CIA in the communications intelligence field. In this regard there is considerable logic in the position that NSC-5412-2, which set up the USCIB mechanism, is in derogation of the statutorily allocated rights and powers of the DCI. In any event, the USCIB mechanism is hopelessly pusillanimous and ineffective. Implementation of this proposal should specifically provide for a greater measure of policy control and guidance to be exerted by CIA on the Comint producing agencies. One of the gravest problems involved at the moment is the question of priorities and allocation of effort. In this connection you will recall the detailed memorandum which you submitted to the DCI some time ago, analyzing the present ineffectiveness and lack of productivity of the NSA agencies and pointing out the desperate need for a complete overhauling of the communications intelligence effort. One of the first projects which should be undertaken is a centralized, completely coordinated attack from both the cryptanalytic and the operational procurement standpoint on the problem presented by high security Soviet cipher systems.

CONCLUSION: It is recognized that the USCIB mechanism set up under NSC-5412-2, is not, for all purposes, the effective device which it was designed to be.

RECOMMENDATION: It is recommended that the problem of the relationship of the Comint effort to the DCI be re-examined with a view to establishing whether or not it should be placed in CIA.

EXO COMMENT:

18 September 1950

Concur. Recommend STD prepare necessary detailed recommendation for ADSO signature to DCI.

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3.

II. 7. Preparation for complete wartime military integration of OSO in order that it can be put into effect at a moment's notice. While a system of military integration may not be a present necessity for other offices of CIA, it is believed that it is an immediate necessity for OSO. The implementation of this proposal should provide at least the following basic minimum points:

a. OSO, and if considered necessary CIA as a whole, should have its own Reserve Officer system with the power to assign, promote, train, and administer the officers therein

b. OSO should have the power not only to take basic steps for immediate integration of present OSO personnel into military status at any given time, but also to set up a reserve of competent personnel to be brought into OSO during any emergency at appropriate ranks and assignments. Specifically, in recruiting reserve personnel, OSO should have the authority to offer reserve commissions.

DISCUSSION: This subject has been considered and recommendations were made to ADBO in the memorandum dated 11 August 1950, copy of which is attached.

EXO COMMENT:

18 September 1950

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This under study by [REDACTED]
action necessary at this time.

No further

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- 4.
- II. 8. The position of CIA vis-a-vis the Department of State should be clarified and strengthened providing for more efficient utilization by State to CIA and OSO of policy and other guidance. This would require, among other things, a complete overhaul of our present liaison channels with State.

DISCUSSION: The problem of CIA-Department of State relationship has received constant attention within OSO and at the CIA level. The recent policy agreement reached between State and CIA is evidence of continuing study. In addition a very definite proposal for realignment of existing liaison channels has been made by CIA to State. CIA is awaiting a response from the Department of State on this proposal.

RECOMMENDATION: It is recommended that a continuing effort be made to secure a more flexible and workable relationship between OSO and the Department of State in the field of policy and target guidance.

To accomplish this it is suggested that greater attention be given by Staff and Division Chiefs to working liaison with the policy and political units of the Department of State.

EXO COMMENT:

18 September 1950

Concur. No action until liaison agreement has been finalized.

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5.

- II. 9. The DCI should set up a direct, frequent, close reporting relationship with the White House, if possible with the President personally; if not, with whatever suitable assistant he may designate. It is believed that the White House would be receptive to such an arrangement.

DISCUSSION: We agree with the statement that there should exist a direct and close relationship with the White House. We are under the impression that such a relationship has existed for some time although we have no specific knowledge on this subject.

RECOMMENDATION: None

EXO COMMENT:

18 September 1950

Concur.

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6.

- II. 10. Arrangements should be effected permitting CIA to requisition essential personnel from other agencies.

DISCUSSION: It is agreed that it would be desirable if CIA were in a position to requisition highly qualified career people in other Government agencies, particularly the IAC agencies.

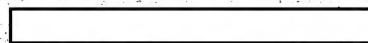
RECOMMENDATION: It is recommended that this subject be referred to the appropriate authorities in Personnel for study and implementation.

EXO COMMENT:

18 September 1950

This is clearly a problem for the Director of Personnel and the Executive/CIA who are cognizant of same. Recommend no action by this Office.

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- II. 11. Basic planning and such action as possible should be taken now to prepare for the establishment of operational units to serve with Theater and subordinate commands in the event of extended hostilities.

DISCUSSION: It is felt that no action can be taken in connection with planning of units to serve with military command in event of hostilities until OSO has an established position with the military for such purposes. Also, there is insufficient data on which to make definite plans. Such data would include the Army or Theater to which the units would be attached, the tasks to be performed, and the required qualifications and training of the individuals. Until more definite information is known concerning probable needs, planning and other action should be deferred.

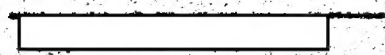
RECOMMENDATION: That as a normal function of Staff B, attention be given this subject, including the question of overseas bases, with the active participation of the Foreign Divisions.

EXO COMMENT:

18 September 1950

No action required pending solution of this problem by JCS.

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8.

- II. 12. There should be an immediate allocation of sufficient, properly located space to cover the present needs of CIA, plus the reasonable predictable needs for the near future.

DISCUSSION: The question of sufficient space to fulfill the needs of CIA is a question which we feel is being given continuing study at the CIA level. The internal needs of OSO likewise are being given study by the appropriate offices. We agree that it is eminently desirable that from the stand-point of security and efficiency, CIA should be housed in adequate quarters and in as few buildings as possible.

RECOMMENDATION: No action be taken by OSO since the problem primarily is the concern of appropriate CIA officials.

EXO COMMENT:

18 September 1950

Concur.

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- II. 13. Decentralization of CIA, and emergency and disaster contingency planning should be effected.
17. 2. Such action as possible should be taken to move components of OGC, and particularly the Registry, to a new location where they would be less vulnerable to the possibility of enemy bombing. Sufficient equipment should be purchased and work started immediately to microfilm the files of OGC and the Director's Office for safe storage in an interior area. You will recall that OAD is at present drawing up plans and figures for this project.

DISCUSSION: It is felt that serious consideration should be given to emergency and disaster planning by OGC. We do not feel that CIA offices should be decentralized. Rather, it is felt that CIA should be concentrated, but, at a point beyond confines of the Metropolitan area of Washington. Again this is a matter for consideration by officials at the CIA level. We do not feel that any of the components of OGC, including the Registry, should be moved. It is felt that movement of the Registry away from the foreign divisions would seriously effect their efficiency. We agree that files of OGC and Director's office should be microfilmed immediately.

RECOMMENDATION: 1. There is attached the previous memorandum to ADSC dated 8 September 1950, recommending immediate microfilming of certain files.

2. A specific recommendation concerning emergency and disaster planning is made under item sixteen.

EXO COMMENT: 18 September 1950

This you have approved for EXO discussion with Management.

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10.

- III. 1. Immediate advantage should be taken of the powers and authorities granted to the NSI in the National Security Act of 1947 and the CIA Act of 1949 to eliminate the maximum amount of administrative detail for the purpose of supplying the most rapid realistic support to the operations of NSI and the other offices of the Agency. This would require a revision and streamlining of regulations, procedures, and thinking with regard to the problems presented by funds, supply, travel, support, etc.

DISCUSSION: It is believed that the implementation of NSC 50 including the concept of a self contained support unit for covert operations under jurisdiction of the Chief of the Covert Offices would facilitate more rapid and realistic support for such operations. Specific recommendations concerning NSC 50 have been made under Item 1.

RECOMMENDATION: Same

EXO COMMENT:

18 September 1950

Concur.

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[REDACTED]

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- III. 2. A realistic intensified personnel recruiting program should be instituted immediately. Without sacrificing basic security, this should be done in such manner that processing and clearances of new personnel can be completed in a maximum of thirty days. The FBI should be requested to immediately lift their limit on the number of personnel investigations they will undertake for CIA and should be requested to expedite these investigations to the greatest possible extent. Technical table of organization and similar requirements should be waived to expedite recruiting of competent personnel.

DISCUSSION: It is agreed that all steps possible should be taken in connection with a realistic personnel recruiting program. It does appear that the limit placed by FBI on the number of personnel investigations they will undertake for CIA is slowing down the recruiting process. We feel that the FBI should be requested to lift this limit.

RECOMMENDATION: 1. That an appropriate letter to the FBI be drafted requesting that the limit on personnel investigation be raised and that the time required for processing cases be reduced. If you can concur STC should be requested to draft a letter for signature by the DCI after coordination with I & S.

2. That there be a realistic assessment of the personnel needs of OSO in order to establish the numbers of slots necessary to accomplish the contemplated work load in light of present and expected world conditions.

EXO COMMENT: 18 September 1950

1. The Chief I&SS is fully cognizant of this problem and has taken some action to alleviate same. At this time further action by OSO does not appear appropriate.

2. Non-concurrence. T/O was revised 1 July 1950 and there are ample slots available.

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III. 3. There should be an immediate expansion of the appropriate sections of the Inspection and Security Staff, and particularly of the Research Branch. This is necessary in order to:

- a. Expedite the recruitment, processing, and clearance of adequate numbers of personnel.
- b. Provide the necessary operational support within the United States to OSO in the mounting and controlling of those operations which should be initiated in the U. S. although their objective is abroad.
- c. Maintain the maximum standards of security, which will become more difficult with the influx of new personnel and the strain of emergency situations.

DISCUSSION: This committee agrees that there is a definite need for an expansion of the Inspection and Security Staff. It is recognized, however, that I and IS has an increasing work load and is making efforts to cope with the work load by continuing expansion of its facilities.

RECOMMENDATION: This matter be referred to ITC for consideration and further recommendation to ADBO, if appropriate.

EXO COMMENT:

18 September 1950

Concur for STC action.

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13.

III. 4. All key positions should be staffed immediately with the best available personnel, regardless of the question of nomination by other agencies or other factors.

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IV. 4. Emergency action in line with the suggestions contained in Section III should be taken to completely staff OSO. All key positions presently vacant should be staffed immediately. As soon as possible all key positions should be back-stopped with individuals capable of assuming them, at least temporarily, in the event of the absence of the designated incumbent.

DISCUSSION: It is our understanding that the problem raised is concerned with staffing such positions as the Deputy Director and Executive, CIA, and the Deputy Assistant Director, OSO. In view of the appointment of the new Director and Deputy Director, further discussion at this time is academic.

RECOMMENDATION: None

EXO COMMENT:

18 September 1950

Concur.

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- III. 8. There should be an immediate review of all personnel and other assets of CIA with a view to and streamlining the operations of the Agency and reassigning personnel and facilities where necessary in order to meet the present and future emergencies. As a result of this review and reassessment, necessary personnel and facilities should immediately be transferred between offices, particularly from other offices to OSO, and administrative and staff functions throughout the Agency should be streamlined.
- IV. 9. As soon as possible, we should undertake the complete re-evaluation of assets, operations, procedures, and commitments of OSO as the basis for a realignment and reallocation of our effort. Non-essential operations should be stripped in favor of the priority ones. Our assets in personnel should be reallocated on this basis to provide maximum support to the most critical areas in headquarters and the field.

DISCUSSION: It is felt that review of all assets of CIA, including personnel, with a view toward streamlining operations and reassigning personnel where determined to be necessary, is a task of great magnitude. In the final analysis, arbitrary decisions within CIA necessarily must be made by the DCI and, within OSO, by AISO.

RECOMMENDATIONS: None, since it is assumed that the assets of the covert offices will be reassigned upon the implementation of NSC 50.

EXO COMMENT:

18 September 1950

Concur.

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- III. 6. There should be a complete review of the operations, functions, and concept for the Advisory Council and consideration given to the immediate strengthening and expanding of the proper utilization of communications intelligence for guidance and other purposes.

DISCUSSION: This committee does not have available to it sufficient facts on which to form any conclusions on the matter as presented. However, the subject has been discussed with STD in general terms. In view of these discussions it would appear appropriate that no action be taken, but that the matter be referred to STD for consideration as a part of his normal responsibilities.

RECOMMENDATION: None

EXO COMMENT:

18 September 1950

Concur. To be referred back to STD for recommendation.

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- III. 7. Steps should be taken to place the Agency on an emergency basis and consideration given to the present or future institution of such steps as a 6-day week, required overtime, staggered shifts, cancellation of extended leave, availability of all key officers on a 2-hour basis through an information desk to be set up on a 24-hour duty schedule under the Chief Operator, etc.
- IV. 1. All steps should be taken immediately to place OSO on an emergency basis. All officers should keep themselves available on a 2-hour basis by call in the Duty Officer or to an information desk to be set up under the Chief Operator. Immediate plans should be drawn for the action to be taken in event of any increased emergency or disaster, including provisions for emergency rendezvous, availability of weapons, necessary supplies, etc. Consideration should be given to cancellation of extended leave, a 6-day week, necessary overtime, staggered shifts, a skeleton force on duty when necessary, etc.
- RECOMMENDATION: 1. It is recommended that STB coordinate closely with CIA officials concerning emergency and disaster plans. It is further recommended that through the coordination of STB each staff, section and division establish a tentative emergency rendezvous point and that the chief of each unit have available the tentative rendezvous points of the other units. This is purely tentative pending the working out of permanent disaster plans.
2. That OSO be placed on an increased work week of from 10 to 20% and that an appropriate officer of the Executive Office be designated to coordinate the matter with the Special Employees Division and such other offices of CIA as may be necessary.

EXO COMMENT: 18 September 1950

1. Non-concurrence, since such planning inappropriate for STB. Recommend, however, that ESEC collaborate with CIA Emergency & Disaster Planning officers on this problem.
2. Non-concurrence, based on conditions currently prevailing.

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- IV. 7. Communications facilities should be strengthened and expanded in order to provide necessary OSC-controlled communications for any reasonable anticipated peak emergency load in any area. A program should be instituted to provide OSC with its own pouch and courier service for more rapid delivery and more adequate security.

DISCUSSION: There is continuing coordination between the divisions and staffs of OSC and the Communications Division in order that Communications Division can anticipate sufficiently in advance the needs for its services. This coordination is now plished through individual contact, through the Joint Communication Board and through STB. It is not thought that any additional action is necessary in this connection. However, it is felt that experimental and developmental work in the communications field should be re-examined with a view to expanding the effort to a degree required by current world conditions. In connection with OSC providing its own pouch and courier service we do not feel such a program at the present time is either desirable or necessary in terms of the degree of support which would be required. However, it is felt that under war-time conditions, OSC would have a need for its own pouch and courier service in certain areas.

RECOMMENDATION: 1. No specific action be taken in connection with these communication facilities for which the Communications Division is responsible, but that continuing attention be given the matter in accordance with the discussion above.

2. No action be taken at this time concerning the problem of OSC providing its own courier and pouch service.

EXO COMMENT: 18 September 1950

Concur. No action at this time.

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17. D. Action should be instituted to provide CSC with its own emergency transportation, including aircraft.

DISCUSSION: This committee agrees that study should be given to this problem. It would be highly desirable for CSC to have at its command transportation in the event of emergency to fulfill evacuation needs including possible commitments to other services. In other fields it may also be desirable to CSC to have its own emergency transportation facilities. It is felt that any action along the lines indicated should be carefully planned against specific needs, bearing in mind security requirements and the task of maintenance and operation of such transportation.

RECOMMENDATION: That Staff D, in conjunction with the divisions, should ascertain the needs and plan for their fulfillment. Specific action in this connection would be submitted for your approval.

EXO COMMENT:

18 September 1950

Concur. No action required at this time.

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- IV. 9. Procurement and stockpiling of necessary operational supplies likely to be in critical demand in the event of continued emergency should be begun.

DISCUSSION: In a sense stock piling of necessary operational supplies is carried on by PSD, which has available to it experience factors to determine necessary stock levels. With the use of machine records for inventory purposes PSD is in a position to furnish accurate figures to OSO pertaining to current stock levels and issuances. However, present world conditions make it desirable to reappraise stock levels presently maintained as well as the types of supplies. It is felt that STB should continue to coordinate OSO requirements on operational supplies between the foreign divisions and PSD.

RECOMMENDATION: That STB examine this question to determine OSO requirements as to the maintenance of appropriate stock levels and types of supplies.

EXO COMMENT: 18 September 1950

Concur. No action required at this time since STB is already handling.

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- IV. 13. As soon as space can be allocated, a special intelligence cleared area, with full filing of special intelligence material should be approved as rapidly as possible, where appropriate, as cleared special intelligence channels.

DISCUSSION: The problem of a special intelligence cleared area is of primary concern to Staff D. Through discussion with Staff D and NSIC it has been determined that an appropriate allocation of space has been made and the space will be available within several months.

RECOMMENDATION: None.

EXO COMMENT: 18 September 1950

Concur. No action.

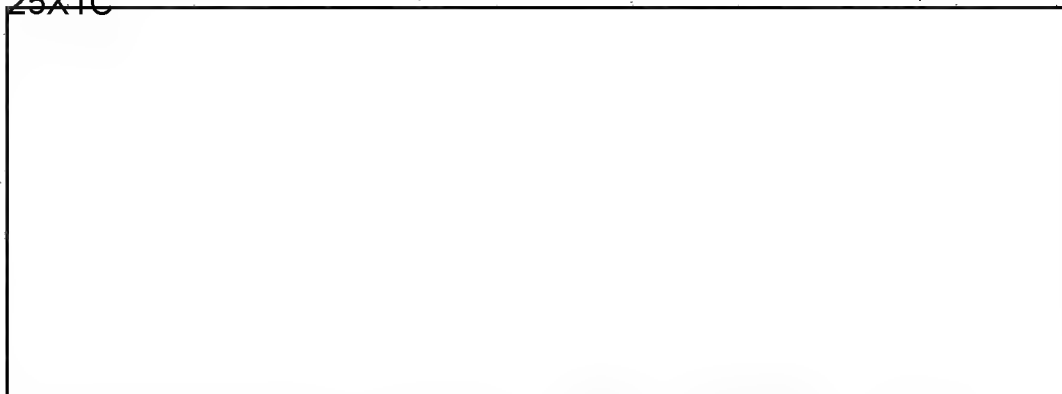
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23.

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17. 11.



RECOMMENDATION: That Staff C and Staff B jointly keep this matter in abeyance and at an appropriate time initiate necessary action looking towards the establishment of one or more such AFMS.

EXO COMMENT:

18 September 1950

Concur. No action at this time.

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19. 12. An adequate OSO translation section, centrally administered for economy purposes, should be established and staffed to service the necessary present and future needs of OSO. Particular emphasis should be placed on procuring translators competent to handle the Slavic languages and sufficient liberality with regard to salaries should be exercised to procure competent personnel, it being noted that translators thoroughly competent for OSO purposes are almost impossible to procure at the salary levels generally considered by Civil Service to be adequate for this type of personnel.

DISCUSSION: For various reasons it appears that the present CIA translation service available to OSO is completely inadequate. In a great number of instances the individual translators can not be cleared for OSO documents. As a result of the inadequate translation service OSO reports officers and case officers have been forced to perform an excessive amount of translation work.

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RECOMMENDATION: That an appropriate memorandum be drafted for ARSO's signature to Foreign Documents Division, ☐ requesting improvement of present translation services and an estimate of their ability to meet the volume and nature of OSO requirements of which they are generally aware. If it appears they will be unable to meet such requirements in the foreseeable future it is recommended that immediate steps be taken to establish a translation section within OSO to meet essential translation problems of the foreign divisions.

EXO COMMENT:

18 September 1950

1. Concur that Foreign Document Division service should be reviewed by EXO and if found to be inadequate, as reported, appropriate action taken.

2. Do not concur to establishment of translation section in OSO.

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17. 14.

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EXO COMMENT:

18 September 1950

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Concur for action.

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IV. 16. In addition to the action already in process regarding stay-behind agent nets, responsibility should be allocated for complete overall planning and action to provide for:

a. Coordinated evacuation of our own personnel, including designation of the personnel and equipment that are to attempt to stay in place;

b.

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c. Special agent teams to be dropped, landed, or otherwise placed in areas most likely to be overrun;

25X1A d. Fall-back bases later to be established as forward bases in pertinent areas. It is believed that first consideration should be given to a [] base, to which our own personnel and the personnel of appropriate foreign intelligence services can initially fall back and which, if the situation permits, can later be used as a forward base for controlling operations in the [] area. Consideration should be given also to immediate preparation for such bases in other areas.

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DISCUSSION: This committee concurs with a, b, and d. It does not appear that plans and action are appropriate at this time to provide for special agent teams to be placed in areas most likely to be overrun. Further, it is felt responsibility has already been allocated for the overall planning and action relating to the points discussed in a, b, and d. In order to plan adequately for these matters a close working relationship must be established between CSC and OFC in the fields covered.

RECOMMENDATION: 1. That Staff B continue its assigned responsibilities for overall planning and coordination of the plans developed by the foreign divisions.

2. In connection with c, action in this field is the primary responsibility of the Foreign Divisions and no recommendation appears required.

3. That Staff B be directed to establish a close working relationship with the appropriate staff in OFC on the subjects of evacuation, [] and overseas bases for wartime use, and that Staff B coordinate liaison of the Foreign Divisions with OFC on these subjects.

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IV. 18.

REC RECOMMENDATION: That each foreign division prepare a study, including the review as mentioned above, together with its recommendations on the foreign intelligence service with which it is concerned. After appropriate staffing, the recommendations in each case be approved by ADCC and transmitted to the DCI for his approval, thereby establishing a CIA policy on collaboration with the service concerned.

EXO COMMENT:

18 September 1950

Concur for action by each Foreign Division.

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